



COLLEGE OF AGRICULTURE AND NATURAL RESOURCES

2016 Developments in Ag and Environmental Law

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AREC



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Introduction



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Proposed IRS Valuation Rules



Current System

- Family-held businesses can discount transfers of ownership in business when:
 - Lack of marketability
 - Lack of control
- Typically called a “minority interest discount”



Current System

- Current system utilized by many family-held benefits.
- Allows larger transfers of ownership to get around estate and gift tax limitations





Proposed Elimination



IRS announced in August plan to eliminate minority interest discount



Proposed Elimination

Proposed rule is complex and has negative and positive implications





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Proposed Elimination

One looming
question out of all
this is:





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GMO Labeling Bill



GMO Labeling Bill

- July, saw Congress pass a law and the President sign related to GMO labeling
- Bill requires food companies to reveal if product contains GMO ingredients



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GMO Labeling Bill



Bill will not require label but only companies to provide consumers with a way to know



GMO Bill

- Organics will be able to be labeled “non-GMO”
- Law preempts state efforts to require labeling





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Biotech Issues



Biotech Issues

- Two issues to quickly go over:
 1. Pesticide Drift
 2. Syngenta Class Action





Pesticide Drift

- 2016, Monsanto released Roundup Ready 2Xtend soybeans and Bollgard II XtendFlex cotton
- Both seeds are dicamba resistant, but not resistant to current dicambas on market.



Pesticide Drift

- Producers in Miss. Delta region planted and some sprayed dicamba
- Drift has caused potentially 10 to 30 percent yield decreases





Pesticide Drift

- Why discuss?
 - Farmers being fined (up to \$1,000)
 - Haven't seen lawsuits yet, but might
 - Potentially new norm, seed being released before approved chemicals released.



Syngenta

- In 2007, Syngenta petitioned USDA to deregulate Viptera (MIR162 genetic event)
- In 2011, Syngenta petitioned USDA to deregulate Duracade (Event 5307)
- USDA approved deregulation in 2010 of Viptera
- USDA approved deregulation in 2013 of Duracade



Syngenta

- These varieties were eventually found in grain shipments to China prior to approval in China.
- In Nov. 2013, the Chinese began to reject all US corn shipments.
- Chinese eventually approved in Dec. 2014.



Syngenta

- In 2014, multiple lawsuits were filed against Syngenta
- Lawsuit was recently granted class action certification. Trial to start in Jan. 2017.
- Potentially has huge implications for how future biotech released.



Other Ag Law Issues

- Storage changes
- *ARA v. OSHA*
- *Hawkes* decision.



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Thank You

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